For Immediate Release January 9, 2012 NR 3-12-G **Contact: Jaime Garza 916-327-8988**

BOE Specialists Verify Business Permits in San Francisco

Businesses in Zip Code 94103 Notified of Upcoming Visits

San Francisco retailers and service businesses in zip code 94103 were sent 2,500 letters by the California State Board of Equalization (BOE) on January 5, 2012 notifying them of upcoming visits by BOE specialists to provide outreach, educate business owners on their sales and use tax reporting responsibilities and increase tax compliance to help make our tax system fair.

The BOE authorized the visits under the Statewide Compliance and Outreach Program (SCOP) which began in September 2008. Since then, BOE specialists have visited more than 274,000 businesses statewide in 385 zip codes.

In addition to outreach and education, the SCOP program aims to verify that businesses are properly registered and ensure that noncompliant businesses do not have an unfair advantage over businesses that are properly registered and reporting their taxes and/or fees. The SCOP program has found that about 2 percent of businesses operating in California do so without appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. Noncompliance is a contributor to the more than \$2 billion sales and use tax gap — the difference between the amount of taxes owed and the amount of taxes paid.

BOE specialists conduct checks for seller's permits at stores and other known business locations. Business owners are asked business-related questions but do not inquire about personal financial information. If an owner has specific questions, they should call their local SCOP Team (SCOP contact information). For general information, contact the Taxpayer Information Call Center at 800-400-7115.

There are seven teams of approximately eight people each, located throughout the state, that conduct door-to-door visits based on zip code. Registered retailers, as well as service industry businesses, are checked for appropriate permits and licenses. Businesses found to be out of compliance are given instructions on how to register with the BOE and given information about other necessary licenses. For more information on the Statewide Compliance and Outreach Program (SCOP), visit www.boe.ca.gov/sutax/SCOP_Overview.htm.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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